

Message Text

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ACTION NEA-09

INFO OCT-01 AF-05 ISO-00 EB-05 DRC-01 RSC-01 /022 W

----- 126943

R 031030Z JUN 74

FM AMEMBASSY AMMAN

TO USDOC WASHDC

INFO SECSTATE WASHDC 1557

AMEMBASSY ABU DHABI

USINT ALGIERS

AMEMBASSY BEIRUT

AMEMBASSY CAIRO

AMCONSUL DHAHRAN

USINT DAMASCUS

AMEMBASSY DOHA

AMEMBASSY JIDDA

AMEMBASSY KHARTOUM

AMEMBASSY KUWAIT

AMEMBASSY MANAMA

AMEMBASSY MUSCAT

AMEMBASSY RABAT

AMEMBASSY SAANA

AMEMBASSY TUNIS

UNCLAS AMMAN 3265

BEIRUT PASS BAGHDAD

FROM MARKET RESEARCH OFFICER(MRO) KILLOUGH FOR DIBA/OIM/NESA

E.O. 11652: N/A

TAGS: BCOM, JO

SUBJ: FY 75-76 COMMERCIAL PROGRAM FOR ARAB NEAR EAST

SUMMARY: MRO RECOMMENDS THAT DURING FY 75 AND 76 USDOC PLACE PARTICULAR EMPHASIS: (A) UPON TRADE AND INVESTMENT MISSIONS FROM INDIVIDUAL U.S. CITIES AND STATES AND (B) UPON PRODUCT EXHIBITIONS. ACTION SUGGESTED: INFO ADDRESSEES ARE INVITED TO GIVE USDOC THEIR VIEWS ABOUT THESE PROPOSALS. END SUMMARY.

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1. FOLLOWING REMARKS ABOUT FY75 AND 76 COMMERCIAL PROGRAMS

FOR THIRTEEN COUNTRIES OF ARAB NEAR EAST (ANE) DRAW UPON INSIGHTS OF EIGHT FOREIGN SERVICE POSTS VISITED BY MRO BETWEEN APRIL 14 AND JUNE 6, 1974. INFO ADDRESSEE POSTS INVITED TO COMMENT UPON, SUPPORT, CHALLENGE OR OTHERWISE AMPLIFY MRO'S OBSERVATIONS.

2. ALL TRADITIONAL COMPONENTS OF USDOC PANOPLY OF EXPORT EXPANSION TECHNIQUES CAN BE HIGHLY EFFECTIVE IN ANE. THEY MUST, OF COURSE, BE IMAGINATIVELY ADOPTED TO PAN-ARAB AND NATIONAL MARKET IMPERATIVES. FOR THIS REASON SUGGEST THAT IN FY 75 AND 76 USDOC PLACE PARTICULAR EMPHASIS UPON (A) HORIZONTAL TRADE AND INVESTMENT MISSIONS FROM INDIVIDUAL US CITIES AND STATES AND (B) UPON VERTICAL PRODUCT AND TECHNOLOGY EXHIBITIONS- WHILE CONTINUING (C) TO STRENGTHEN PROGRAM OF VERTICAL TRADE MISSIONS, CATALOG EXHIBITIONS AND PRESENTATIONS, (E) TO INCREASE VOLUME OF USDOC STATESIDE REPORTING AND PUBLIC SPEAKING ON ANE MARKETS AND (F) TO ENLARGE STAFF AND STRENGTHEN SUPPORTING ROLE OF REGIONAL TRADE DEVELOPMENT OFFICE (RTDO) NOW LOCATED IN BEIRUT.

3. SPECIFICALLY, VERTICAL TRADE MISSIONS, TARGETED ON HARDWARE SALES FOR ONE INDUSTRY, SEEM MORE APPROPRIATE TO COUNTRIES WITH LARGE POPULATIONS AND DIVERSIFIED ECONOMIES (E.G. EGYPT, IRAQ, IRAN) THAN TO SMALLER, ONE-INDUSTRY ECONOMIES OF LOWER GULF. SUGGEST USDOC ENCOURAGE FORMATION OF FOUR INDUSTRY ORGANIZED GOVERNMENT APPROVED (IOGA) TRADE AND INVESTMENT MISSIONS TO ANE IN FY 75 AND SIX IN FY 76. TO START WITH GROUPS ALREADY UNDER DISCUSSION AT ONE ANE POST, PROPOSE IOGA MISSIONS BY CITY OF HOUSTON IN NOV 74 AND STATE OF CONNECTICUT IN FEB 75. SUCH GROUPS SHOULD INCLUDE FOUR TO EIGHT BUSINESS LEADERS PLUS ONE NEWSPAPERMAN. MISSION SHOULD BE THOROUGHLY BRIEFED BY DIBA (OIM AND OED) OFFICERS TRAVELLING TO HOUSTON OR HARTFORD AND SHOULD BE LED BY DIR OF APPROPRIATE USDOC DISTRICT OFFICE. MISSION MEMBERS SHOULD REPRESENT CROSS SECTION OF U.S. MANUFACTURING AND SERVICE EXPERTISE, MUST NOT RPT NOT EXPECT CONSUMMATE EXPORT OR INVESTMENT DEALS ON SPOT BUT SHOULD BE FLEXIBLE, "CAN-DO" IDEA MEN AND EXECUTIVES GOING TO ANE IN ORDER ACQUAINT SELVES WITH PRIVATE AND PUBLIC SECTOR LEADERS AND HELP THEM THINK THROUGH ARAB INVESTMENT PROPOSALS GENERALLY WELL FINANCED BUT OFTEN CONCEPTUALLY VAGUE. SHOULD BE PREPARED, UNCLASSIFIED

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FOR EXAMPLE, DISCUSS JOINT KUWAITI-EGYPTIAN-AMERICAN MANUFACTURING OPERATIONS IN EGYPT. SUCH IOGA MISSIONS SHOULD, FINALLY, INVITE LEADING EGYPTIANS, KUWAITIS, SAUDIS, JORDANIANS, DUBAIANS, ETC. RECIPROCATATE WITH FOLLOW-UP VISITS TO USA.

5. PRODUCT EXHIBITIONS ARE CLEARLY A USDOC PROMOTIONAL DEVICE WHOSE TIME HAS COME IN ANE. NOT ONLY TO THEY BRING VISIBLE, TANGIBLE HARDWARE BUT THEY ALSO INCLUDE U.S. BUSINESSMEN WHO

STAY IN THE MARKET PLACE FOR MORE THAN ONE OR TWO DAYS. OF ALL FAIRS SCHEDULED FOR ANE, THE TWO SEMI-ANNUAL SPECIALIZED EXHIBITIONS SYMPOSIA IN CAIRO APPEAR FAR AND AWAY MOST SUITABLE FOR REGULAR USDOC PARTICIPATION. NUMBER OF USDOC SOLO EXHIBITIONS ELSEWHERE IN REGION SHOULD BE PROGRAMMED TO GROW STEADILY FROM YEAR TO YEAR.

6. USDOC SPONSORED VERTICAL TRADE MISSIONS HAVE BEEN EFFECTIVE IN PAST BUT, GENERALLY SPEAKING, HAVE NOW LOST THE FORCE OF NOVELTY. FUTURE MISSIONS SHOULD LEARN FROM ASIAN AND EUROPEAN COMPETITION AND CONTAIN FOLLOWING FEATURES: (A) MINIMUM OF THREE FULL WORKING DAYS (I.E. NOT COUNTING DAYS OF ARRIVAL AND DEPARTURE OR HOLIDAYS) PER STOP, (B) LARGE NUMBERS OF PRODUCT CATALOGS MADE AVAILABLE TO POSTS WELL IN ADVANCE OF MISSION'S ARRIVAL, (C) PAID ADVERTISEMENTS BY INDIVIDUAL MEMBERS IN LOCAL NEWSPAPERS BEFORE AND DURING VISIT, (D) MORE FREQUENT GIFTS OF PERSONAL MOMENTOS (LIGHTERS, AUTOGRAPHED PHOTOS, CUFFLINKS, CALENDERS, ETC) BY MISSION MEMBERS TO PERSONS VISITED AND, FINALLY, (E) ONE-ON-ONE "SPONSORSHIP" (BRIEFINGS, INTRODUCTION TO KEY CLIENTS) UNDER POST GUIDANCE OF EACH MISSION MEMBER BY SEPARATE LOCAL BANKERS, MANAGEMENT CONSULTANTS, ETC. THIS LAST PRACTICE GIVES A KEY SECTOR OF EACH MARKET PLACE A PERSONAL STAKE IN SEEING MISSIONS SUCCEED.

7. ALSO BELIEVE CONCEPT OF A PAN-ARAB MARKET, ENJOYING ONE ADVERSITING LANGUAGE AND EXHIBITION BROADLY STABLE PATTERN OF VALUES, HAS REALITY. BELIEVE, THEREFORE, GOOD CASE CAN BE MADE FOR OIM'S PLACING ALL ARAB COUNTRIES UNDER SAME OPERATING DIVISION. AS ONE LOWER GULF COMMERCIAL OFFICER RECENTLY SAID: "I'VE GOT A LOT MORE TO TALK ABOUT WITH MY OPPOSITE NUMBER IN MOROCCO OR SUDAN THAN WITH SOMEONE IN BANGLADESH OF NEPAL".

8. MRO WILL MAKE MORE DETAILED PROPOSALS ON MARKET RESEARCH,
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RTDO ROLE, ETC. AFTER RETURN TO WASHINGTON JUNE 7, 1974
ETA 1605 HRS ON TWA 735.
PICKERING

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NNN

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Disposition History: n/a
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